

**TAX AIRFREIGHT, INC., NATIONWIDE SERVICES\***  
**TERMS and CONDITIONS**

Tax Airfreight, Inc., Nationwide Services is operating as a property broker pursuant to Statute 49U.S.C. §13102(2) and is licensed by the Department of Transportation (DOT), Federal Motor Carrier Safety Administration (FMSCA) and other government agencies as required by law (MC 164888-B). In some instances Tax Airfreight, Inc., Nationwide Services may utilize the services of a co-broker. These Terms and Conditions are incorporated into any co-brokerage agreement to the extent applicable. The co-brokerage agreement template is available at <http://www.taxair.com>. Copies furnished upon request.

The Shipper and Tax Airfreight, Inc., Nationwide Services, in consideration of Tax Airfreight, Inc., Nationwide Services' providing transportation services in exchange for compensation to be paid by Shipper, hereby agree as follows:

Tax Airfreight, Inc., Nationwide Services is referred to herein as "Nationwide Services" or "Broker". "Shipper" is defined as any and all entities tendering a shipment to Nationwide Services for services (including entities physically tendering the shipment and entities on whose account the shipment is to be made) and includes the Shipper and Consignor and their employees and agents, and any other person or entity having or claiming an interest in or beneficial ownership in a shipment.

Through the use of Tax Airfreight, Inc., Nationwide Services, the Shipper agrees to the Terms and Conditions contained herein. No one may alter or modify these Terms or Conditions. Any bill of lading or other shipping document which is inconsistent with these Terms and Conditions shall be invalid to the extent it conflicts with these Terms and Conditions. These Terms and Conditions shall apply notwithstanding the issuance of any other air waybill, bill of lading or any other transportation document by any party tendering a shipment to Nationwide

Services. No persons, including drivers, are authorized to bind Nationwide Services to non-conforming bills of lading, other documents or obligations, requirements or responsibilities unless agreed to in writing by Nationwide Services. The party tendering a shipment to Nationwide Services shall indemnify and hold Nationwide Services harmless from any demand or obligation which exceeds or conflicts with those set forth herein.

These Terms and Conditions shall apply to all transportation services agreed to and rendered by Nationwide Services unless expressly waived or modified in a separate signed written agreement.

**BROKERAGE SERVICES:** For all shipments tendered by Shipper to Nationwide Services and accepted by Nationwide Services, Nationwide Services agrees to arrange for the pick-up, transport, and delivery of the shipments, as Shipper may reasonably request, by motor carriers that hold the proper government authority to perform the requested service(s). In arranging transportation services for Shipper, Nationwide Services shall not be responsible for packaging, handling, loading or unloading of freight which shall be the responsibility of Shipper and/or the underlying carrier selected by Nationwide Services to transport the shipments. Every shipment arranged for transport by Nationwide Services for or on behalf of Shipper will be deemed tendered to Nationwide Services. Nationwide Services has the sole right to select the carriers used to perform the transportation services, subject to Shipper's right to timely reject the selection of any particular carrier as being unacceptable. Nationwide Services is solely authorized to make the necessary transportation arrangements with regard to Shipper's property that has been tendered to Nationwide Services. In performing brokerage services for Shipper, Nationwide Services agrees to select carriers that meet the following criteria:

- A. FMSCA Authority. Carriers selected by Nationwide Services shall maintain proper authority from the Federal Motor Carrier Safety Administration (“FMSCA”) and any applicable state agency to perform transportation services in intrastate, interstate, and/or foreign commerce.
  
- B. Safety. Nationwide Services will only select carriers that maintain a safety rating from the U.S.

Department of Transportation that is “Satisfactory” , and that agree to perform transportation of Shipper’s shipments in compliance with all applicable safety laws and requirements.

- C. Insurance: Carriers selected by Nationwide Services shall maintain insurance of the kind and in the following amounts:

Risk Cargo Insurance	\$100,000 per occurrence
Public Liability Insurance as required by federal regulations	\$1,000,000
Commercial General Liability Insurance occurrence	\$1,000,000 per
Workers Compensation Insurance	As required by State Law

- D. Carriers’ Equipment. Carriers selected by Nationwide Services shall be required to provide equipment that is clean, safe, properly maintain hazard free, and that meets all applicable governmental regulatory standards and requirements. Carriers selected by Nationwide Services shall also be required to provide equipment that is sufficient in quality and quantity to meet Shipper’s transportation needs.

- E. Carriers' Drivers. Carriers selected by Nationwide Services shall be required to furnish drivers and other operating personnel who are fully qualified, licensed, trained, and experienced to properly and safely handle and transport Shipper's property.
  
- F. Shipment Schedules. Carriers selected by Nationwide Services shall be required to perform timely and reliable pick-up and delivery of all shipments in accordance with reasonable schedules communicated in writing by Shipper, its vendors, suppliers and customers to Nationwide Services, and/or Nationwide Services' arranged carriers providing the actual, physical transportation of such shipments.

INDEPENDENT CONTRACTOR: It is understood between Nationwide Services and Shipper, that Nationwide Services is not an agent for the Carrier or Shipper and shall remain at all times an independent contractor. Shipper does not exercise or retain any control or supervision over Broker, its operations, employees or carriers.

BILL OF LADING (BOL): The Bill of Lading, or BOL, is non-negotiable and has been prepared by the Shipper or by Nationwide Services or its Carriers on behalf of the Shipper and shall be deemed, conclusively, to have been prepared by the Shipper. Under no circumstances shall Nationwide Services be named as or considered a motor carrier on any BOL or other transportation document.

"FREIGHT CHARGES: Transportation charges are to be paid to Nationwide Services at the time the shipments are delivered. However, Nationwide Services, at its discretion, shall extend credit to qualified customers. Unless otherwise agreed, Nationwide Services' credit period is 30 days and begins on the day following the date of invoice. This 30 day period includes Saturday, Sundays and legal holidays. Unless otherwise agreed, all freight charges shall be paid within 30 days of date of invoice. Invoices not paid within 30 days may be

subject to interest at 1.5% per month until paid. In the event Nationwide Services elects to recover for unpaid or partially unpaid freight charges, Nationwide Services will be entitled to accrued interest and reimbursement of reasonable attorney's fees, court costs and any related expenses associated with the collection of amounts due. Nationwide Services reserves the right to require prepayment of charges via credit card, bank check, or money order. A processing fee of up to 4% may apply on credit card payments. A twenty-five USD (\$25) fee will be applied for any check returned due to insufficient funds.

**INSURANCE:** Broker shall maintain at its own expense the following contingent insurance amounts: Risk cargo insurance in the amount of not less than \$100,000 per occurrence Public liability insurance in the amount of not less than \$1,000,000 as required by federal regulations.

Commercial general liability insurance in the amount of not less than \$1,000,000 per occurrence.

Workers compensation insurance as required by state law.

Broker shall provide certificates of insurance upon request.

The aforementioned coverages are subject to the terms, conditions and exclusions contained in the actual insurance policies.

**SURETY BOND:** Tax Airfreight, Inc., Nationwide Services shall maintain a surety bond or trust fund agreement as required by the Federal Motor Carrier Safety Administration and shall furnish Shipper with a copy upon request.

**INDEMNIFICATION:** Subject to the insurance and liability limits herein, Nationwide Services and Shipper shall defend, indemnify, and hold each other harmless against any claims, actions or damages, including, but not limited to,

cargo loss, damage or delay, and payment of rates and/or accessorial charges to carriers, arising out of their respective performances under this Agreement, provided, however, the indemnified party shall not offer settlement in any such claim without the agreement of the indemnifying party which agreement shall not be unreasonably withheld. If the indemnified party offers or agrees to a settlement for such a claim without the written agreement of the indemnifying party, the indemnifying party shall be relieved of its indemnification obligation. Neither party shall be liable to the other party for any claims, actions or damages due to the negligence of the other party. The obligation to defend shall include all costs of defense as they accrue.

**REASONABLE DISPATCH:** No time is guaranteed for the completion of carriage, and Nationwide Services shall not be liable for loss or damage caused by failure to commence or complete carriage within a certain time. Nationwide Services assumes no obligation to carry the goods in any particular vehicle, and is authorized to select alternate means of transportation and deviation from route without liability.

**STORAGE:** Shipments in Nationwide Services' control rendered undeliverable due to actions by Shipper, consignor, regulatory authorities or other party and not caused by Nationwide Services or its Carriers shall be considered "stored" property immediately upon undeliverability and will be subject to Nationwide Services/Carrier's storage fees. Nationwide Services' and its carrier's liability for such shipments will be limited to that of a warehouseman.

**WEIGHTS AND MEASURES:** Nationwide Services may re-weigh and/or measure, for the purpose of applying correct charges, any shipment(s) at any time, and to collect the appropriate charges without first advising, reporting back to, pre-alerting, or otherwise notifying the Shipper, Consignee, or other interested party. Nationwide Services may assess transportation charges based on volumetric standards. Dimensional weight is calculated by multiplying length

by width by height of each package (all inches) and dividing by 194 cubic inches. Dimensional weight of each package in the shipment is added, and the total dimensional weight of the shipment is then compared to the actual weight of the shipment. If the dimensional weight exceeds the actual weight, transportation charges for the shipment are based on the dimensional weight.

EXCEPTION: CZAR shipments: If the Class is identified and agreed to ahead of time between Nationwide Services and Shipper; the shipment is exempt from dimensional rating.

BUMPING PROHIBITED: "Bumping" is the practice of making declaration on a bill of lading of an artificially higher weight for the purpose of qualifying freight for a lower classification rating. Nationwide Services does not recognize the concept of "bumping" and does not permit any customers to do so.

DENSITY: HEIGHT: The average density and total cubic inches/feet a shipment requires will be determined by the total cubic inches/feet of each unit in the shipment except:

A vertical dimension (height) of 90 inches shall be used to determine the cube of any unit on top of which freight cannot be loaded because of:

1. The nature of the article or articles as tendered for shipment; or
2. Packaging, or lack of packaging, used; or
3. Palletization in a "pyramid", "rounded", or "topped off" manner; or
4. Specific instructions by the Shipper and/or on the Bill of Lading to the effect that no freight is to be loaded on top of the articles.

HANDLING UNITS: Broker is responsible for Handling Units only. A Handling Unit is the physically identifiable unit(s) tendered to Nationwide Services via its Carriers from the Shipper. Neither Nationwide Services nor its Carrier is responsible for piece counts within uncountable shipments.

PACKAGING REQUIREMENTS: Shipper is responsible for properly packaging and preparing freight for transportation. Packaging must be of a design and have structural integrity adequate to withstand reasonable and normal handling. Packaging should meet or exceed industry standards. . Broker and its Carriers will not be responsible for any damage to cargo, damage to other property or injury to persons occurring, in whole or in part, because of the inadequacy of the packaging from the preparation of any freight for transportation, including but not limited to improper loading/securing of freight (if applicable). Further, Shipper shall indemnify and hold harmless Nationwide Services and its Carriers from any and all claims, damages, suits, demands, fines, penalties or cost or expense arising out of failure to properly package freight.

CARGO LOSS AND DAMAGE: It is understood and agreed that Tax Airfreight, Inc., Nationwide Services is not a Carrier and that Nationwide Services shall not be held liable for loss, damage or delay in the transportation of Shipper's property unless caused by the Nationwide Services' negligent acts or omissions in performing its services.

The actual carrier arranged by Broker to transport Shipper's property shall have liability to the Shipper with respect to claims for loss of or damage to any shipment tendered by Shipper in accordance with 49 C.F.R. 1005. If the Carrier fails to pay Shipper for said damage or loss, Broker may under certain circumstances assist Shipper in facilitating payment of any such claim. In the event that Broker pays any such claim as accommodation to Shipper, Broker shall be subrogated to the rights of the Shipper and shall maintain any and all



actions and remedies available to it under law to pursue recovery against the Carrier. Shipper hereby agrees to assign its rights and interests in said claim to Tax Airfreight, Inc., Nationwide Services. Brokers responsibility shall be limited to fifty cents (\$0.50) per pound or fifty dollars (\$50.00) per shipment, whichever is greater, up to one hundred thousand (\$100,000.00) per occurrence or truckload, unless a higher value is declared at time of tender to Tax Airfreight, Inc., Nationwide Services, and the applicable charge of seventy cents (\$0.70) per one hundred dollars (\$100.00) of value in excess valuation is paid. However, in no event, even declaration of excess value, shall Nationwide Services' liability exceed two hundred and fifty thousand dollars (\$250,000.00) per occurrence. In cases of loss, damage, or injury of part of a consignment, the weight to be taken into account in determining Nationwide Services' liability shall be only the weight of the item or items lost, damaged, or injured. In no case shall Nationwide Services or its carriers be liable for any type of consequential, special, indirect or incidental damages (including without limitations, lost profits or business opportunity) or punitive or exemplary damages incurred or suffered by the Shipper as a result of overage, shortage or damage to shipments transferred

**FILING OF CLAIMS: Claims in Writing Required:** A claim for loss, damage, or injury shall not be voluntarily paid by Nationwide Services or its carriers unless filed in writing, within the specified time limits and as otherwise may be required by law, the terms of the bill of lading, other contract of carriage and/or all tariff provisions applicable thereto. **Minimum Filing Requirements:** A communication in writing from a claimant must be filed with Nationwide Services and (1) contain facts sufficient to identify the shipment of property involved, (2) assert grounds for liability for alleged loss, damage or injury, and (3) make claim for the payment of a specified or determinable amount of money. **Documents Not Constituting Claims:** Bad order reports, appraisal reports of damage, notations of shortage or damage or both, on freight bills, delivery receipts or other documents or inspection reports issued by carriers or their inspection agencies, whether the extent of loss or damage indicated in dollars and cents or otherwise, shall,

standing alone, not be considered by Nationwide Services as sufficient to comply with the minimum claim filing requirements. Claims Filed for Uncertain Amounts: Whenever a claim is presented for uncertain amount, Nationwide Services or its carriers shall determine the condition of the shipment involved at the time of delivery by it, if it was delivered, and shall ascertain if possible, the extent, if any, of the loss or damage for which it may be responsible. Nationwide Services shall not, however, voluntarily pay claim under such circumstances unless and until a formal claim in writing for a specified or determinable amount of money shall have been filed in accordance with the provisions specified in Minimum Filing Requirements. Time for Filing: All claims for damaged cargo must be filed in writing within nine (9) months after the date of delivery, or in the case of failure to make delivery, within nine (9) months after a reasonable time for delivery has elapsed. No Offset: The Shipper is responsible for the payment of freight charges and is not permitted to offset any part of the freight charges by the value of any outstanding loss/damage. Salvage: Nationwide Services or its Carrier is entitled to the benefit of any salvage or salvage proceeds of any damaged freight and shall deduct such salvage from any payment of any claim in the event that the Shipper does not release such damaged goods to Broker/Carrier's custody and ownership. In the event that Shipper elects not to sell or salvage any damaged goods then Broker/Carrier shall be entitled to have a surveyor of its choosing appraise the salvage value of the goods and Broker/Carrier shall be entitled to a credit in that amount. Civil Action: Any and all civil actions filed in any court relating to such claims must be filed no later than two (2) years and 1 day from the day when written notice is given to the claimant that Nationwide Services or the Carrier has disallowed the claim or any part thereof. When claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, Nationwide Services or its Carriers shall not be liable, and such claims will not be paid.

**CONCEALED DAMAGE:** If damage to contents of a shipping container is discovered by the consignee which could not have been determined at time of delivery, it must be reported to Nationwide Services and its Carrier upon discovery and no more than 5 days from the date of delivery. At that time a request for inspection must also be made. Consignee must hold the shipping container and its contents in the same condition they were in when damage was discovered. Notice of loss or damage and request for inspection may be given by telephone but must be confirmed in writing. See FILING OF CLAIMS above.

**MAXIMUM LIABILITY:** Customer agrees that the maximum liability of Nationwide Services, shall not exceed the released rate limitation set forth in these Terms and Conditions and that it will indemnify and hold harmless Nationwide Services from all claims, including attorney's fees in the event that amounts greater than agreed to herein are sought.

**FORCE MAJURE:** Nationwide Services shall not be liable for (1) failure to perform any of its obligations hereunder or (2) any damage, claim or loss of any nature resulting from the following:

Acts of God, public enemy, or public danger incident to a state of war

Any default or delay of the Shipper, owner or consignee including insufficient packaging for carriage

The nature of the shipment, or any defect, characteristic or inherent vice of the shipment Violations by the Shipper or consignee of any conditions of these terms and conditions Compliance with laws, governmental regulations, orders or requirements of any jurisdiction, or any other cause beyond the control of Nationwide Services.

SHIPMENTS NOT ACCEPTABLE FOR TRANSPORT: Nationwide Services shall not arrange for the transportation of certain types of freight, including but not limited to, the following:

Human Remains

Warm Blooded Live Animals

Precious Metals

Coins and Coin Collections

Money, Currency of any kind, Negotiable Securities Original one-of a kind

Artwork and Objects of Art Antiques

Gemstones and Jewelry

Original items of which no other copy exists

Personal Effects if Air Freight Shipment

Any shipment not wrapped and or crated for transport

Hazardous Waste

1.1, 1.2, or 1.3 Explosives

1.4, 1.5, or 1.6 Explosives

Radioactive III Materials Medical Cultures or Blood

Firearms without the firing pin removed

Shipments of an inherent nature or defect which indicate that transportation cannot be furnished without loss of or damage to the shipment

Shipments which require a Federal, State, or Local License or Permit for transport

Shipments not expressly covered above but would be likely to cause damage to other shipments, equipment, or personnel, or the carriage of which is prohibited by law.

If any shipment not acceptable for transport is inadvertently accepted by Nationwide Services, it shall still be subject to all terms and conditions herein, including but not limited to released value limitation of liability, whether or not any declared value is made.

INSIDE DELIVERY/ASSEMBLY/SET UP SERVICES: Nationwide Services may provide additional services including inside delivery and/or set up of cargo. Such services require advance approval and payment of additional accessorial charges and are subject to a separate agreement between Nationwide Services and Shipper.

#### GOVERNING LAW/VENUE:

These Terms and Conditions shall be interpreted and enforced, and all questions arising hereunder, shall be resolved and adjudicated in accordance with the laws of the State of Wisconsin. Any dispute concerning the Terms and Conditions shall be commenced and maintained in a court of competent jurisdiction in the State of Wisconsin and each of the parties' consents to jurisdiction and venue in such court for such purposes.

#### ATTORNEYS FEES:

Should any proceeding (including arbitration or litigation) be commenced between the parties concerning the Terms and Conditions or the right and duties of the parties hereto, the prevailing party in such proceeding or action shall be entitled to recovery of its reasonable attorney's fees.

#### MISCELLANEOUS TERMS:

If any provision or provisions of these terms and conditions shall be unenforceable, all remaining provisions shall remain, and the parties bound to them. These Terms and Conditions may be changed without notice, and the effective version of these Terms and Conditions shall be posted at <http://www.taxair.com>, and shall also be available upon request. The version of these Terms and Conditions in effect as of the date the shipment is tendered to Tax Airfreight, Inc., Nationwide Services shall be the applicable version. The Tax Airfreight, Inc., Nationwide Services website at <http://www.taxair.com>, is for the convenience of Nationwide Services' customers, and shall be subject to its terms of use, and shall not affect these terms and conditions.

#### CHANGES IN TERMS AND CONDITIONS:

Tax Airfreight, Inc., Nationwide Services shall have the right at any time to change or modify the terms and conditions applicable to Shipper's use of Nationwide Services, or any part thereof, or to impose new conditions, including but not limited to adding fees and charges for use. Such changes, modifications, additions or deletions shall be effective immediately upon notice thereof, which may be given by means including but not limited to posting on <http://www.taxair.com>, through electronic or conventional mail, or by any other means by which Shipper obtains notice thereof. Any use of Tax Airfreight, Inc.,

Nationwide Services by Shipper after such notice shall be deemed to constitute acceptance by Shipper of such changes, modifications, or additions.

OTHER ACCESSORIAL APPLICATIONS AND CHARGES: Quoted upon request.

FUEL SURCHARGE: See Fuel Surcharge Table at <http://www.taxair.com>.